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PSC-M-74
28 March 1966

Meeting of the EIC Subcommittee on Petroleum

Friday, 25 March 1966, 1330 hours

Room 2524 State Department

Present

25X1A9a [REDACTED] DIA, Chairman
Mr. Herbert H. Glantz, State
25X1A9a [REDACTED] CIA
Mr. Theodore L. Sweet, AID
Mr. Richard J. Miller (Defense Fuel Supply Center)
25X1A NSA Mr. Harold J. Barton, Interior
[REDACTED] NSA
[REDACTED], NSA
25X1A9a Mr. Larry Brice, ONI
[REDACTED] CIA, Secretary

Review of PSC Structure

1. Discussion

The chairman outlined the circumstances which led to the EIC requesting a review of the role of the Subcommittee on Petroleum (PSC) and a report on recommendations for the future of the PSC.

The members reviewed the Terms of Reference (T/R) for the PSC with particular attention to the "Functions" of the PSC. It was acknowledged that insofar as intelligence on Communist countries was concerned there were, in fact, only two "producing" members viz. CIA and DIA, and the others were "consuming" members.

The PSC has not performed the functions outlined in the T/R either because the functions conceived eight years ago were no longer appropriate; there have been no occasions to perform them; or the functions have been performed by the individual members wholly outside the framework of the PSC.

It was pointed out that the principal features of the PSC activities in recent years were sponsorship of the Military Petroleum Consumption Estimates and the Agreed Basic Statistics. While the Military Petroleum Consumption

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
Estimates had been done previously by the military services, DIA planned to do them in the future, therefore, PSC sponsorship was neither expected nor required. The Agreed Basic Statistics have not been prepared in recent years. Except for one minor element of the Statistics these data were in fact CIA estimates. It was felt that the PSC was not important or necessary to the preparation of these Statistics.

The "consumer" members of the PSC established that they benefited from the discussions that took place in PSC meetings and the intelligence made available by the "producing" members. It was thought by some that the PSC continue to operate under revised or different T/R, that the meetings take the general form of an exchange of intelligence information or forum discussion, and that meetings be held on an annual or semi-annual basis.

2. Action

No agreement was reached on the future role of the PSC. The members polarized around two positions.

1. The position to abolish the PSC was supported by the representatives of CIA and DIA.

2. The position to continue the PSC under different T/R providing for annual or semi-annual meetings to discuss intelligence problems and review intelligence developments was supported by representatives of State, AID, DSA, Interior,  ONI.

It was agreed that the chairman would pass these results to the EIC.


Secretary

EIC Subcommittee on Petroleum

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